

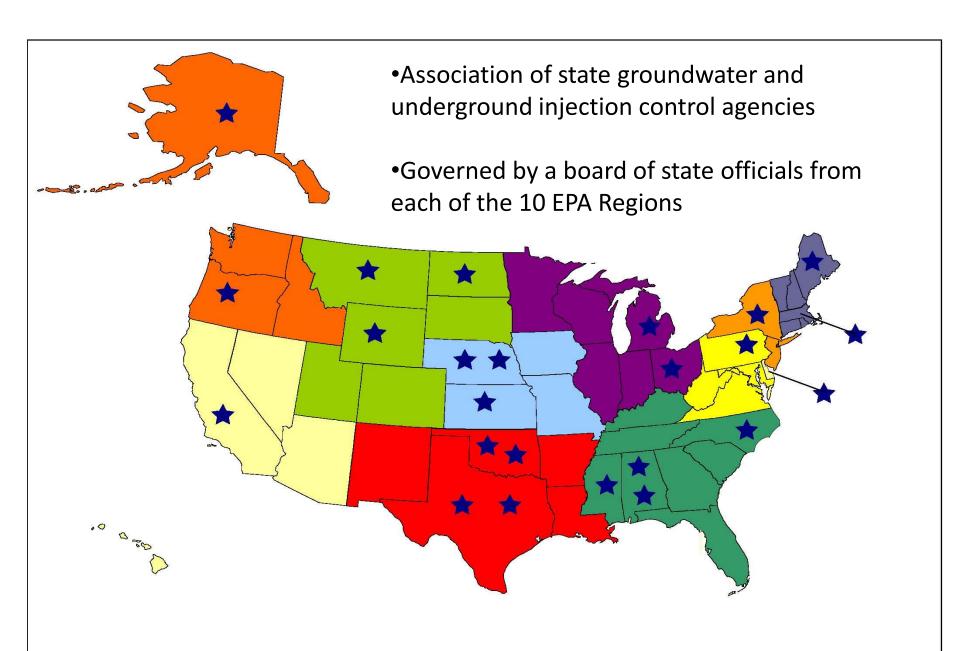
### THE FRACFOCUS 2.0 SYSTEM

Focus on Disclosure

**Railroad Commission of Texas** 

Leslie Savage, Ground Water Protection Council

#### What is the Ground Water Protection Council?



#### **Background on FracFocus**

- With the rapid growth of shale gas development using high-volume hydraulic fracturing technologies, the media and public became aware of the fracturing process
  - The industry showed reluctance to disclose information about the chemicals used
  - This led to great concern over the types and quantities of chemical additives used in frac fluids
- In April 2011, the Ground Water Protection Council (GWPC) and the Interstate Oil and Gas Compact Commission (IOGCC) opened a new online system (FracFocus) to host information about the chemical additives used in frac fluids and their ingredients
- FracFocus was designed to provide the public with information about the process of hydraulic fracturing and individual landowners with information about chemicals being used on or near their property



#### **Background (2)**

- Initially, chemical data entry into the Registry by the oil and gas companies was voluntary, but over the next year, several states adopted regulations requiring data on the chemicals used in frac fluids to be disclosed
  - Many of those states specifically referenced FracFocus as the mechanism for submitting those data
- The number of wells for which chemical information was entered grew quickly
  - At the end of 2012, data had been entered on more than 34,000 wells, representing 342 companies



#### Two sides to FracFocus

- —Public side
  - General fracturing information
  - Disclosure presentation
- –Company side
  - FracFocus 2.0 disclosure submission system



## **General Fracturing Information**

## WELCOME

Welcome to FracFocus, the hydraulic fracturing chemical registry website. This website is a joint project of the Ground Water Protection Council and the Interstate Oil and Gas Compact Commission.

On this site you can search for information about the chemicals used in the hydraulic fracturing of oil and gas wells. You will also find educational materials designed to help you put this information in perspective.

LEARN MORE

Welcome

Hydraulic Fracturing

Casing & Cement

State Regulations

Chemical Use

# Is groundwater protected?

#### Groundwater Protection: Priority Number One

Oil and natural gas producers have stringent requirements for how wells must be completed. The genesis of these requirements is water safety.

Casing is the first line of defense used to protect freshwater aquifers.

More About Groundwater Protection »

#### Looking for information about a well site near you?



Search for nearby well sites that have been hydraulically fractured to see what chemicals were used in the process.

#### **FAQs**

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How much water is used in hydraulic fracturing?

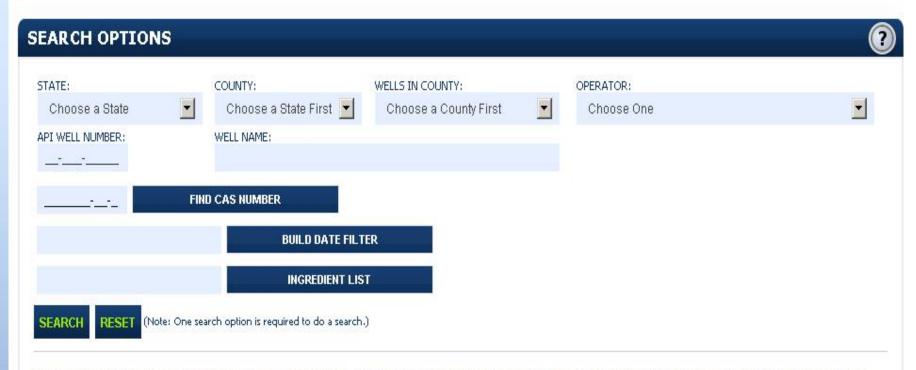
This varies from well to well and depends upo the well configuration (vertical or horizontal), the number of stages fractured, and the specifi characteristics of the formation being fractured. In vertical wells with a single fractured stage it is not uncommon to use less than 50,000 gallons of water during a fracture job, while a multi interval fracture job in a horizontal well can use several million gallons of water. Read more...

All FAOs »

### **Disclosure Presentation**



Map Search Standard Search



In states where disclosure using FracFocus is not a state requirement, well site information is voluntarily provided by participating oil and natural gas operators. The FracFocus system is designed to contain disclosures for wells fractured after January 1, 2011. See the full list of <u>participating production companies</u>. Only disclosures that match your search parameters are presented. There may be more than one disclosure presented for a single well. NOTE: To maximize search efficiency, the total number of disclosures returned from a single search may not exceed 2000.





#### Find a Well

#### Back To Search

Nex	t Page							Page	e 1 of 2	25 <b>Go</b>
	API No.	Job Date	State	County	Operator	WellName	Well Type	Latitude	Longitude	Datum
1	05-001-09723	1/8/2011	Colorado	Adams	Anadarko Petroleum Corp	TALON VIEW 3-9	Gas	39.982340	-104.898600	NAD83
,A.,	05-001-09724	1/8/2011	Colorado	Adams	Anadarko Petroleum Corp	TALON VIEW 5-9	Gas	39.982383	-104.898600	NAD83
, Aug	05-001-09721	1/8/2011	Colorado	Adams	Anadarko Petroleum Corp	TALON VIEW 6-9	Gas	39.982252	-104.898599	NAD83
L	05-001-09719	1/14/2011	Colorado	Adams	Anadarko Petroleum Corp	TALON VIEW 11-9	Gas	39.982210	-104.898599	NAD83
, de	05-001-09722	1/17/2011	Colorado	Adams	Anadarko Petroleum Corp	TALON VIEW 12-9	Gas	39.982169	-104.898599	NAD83
J.	05-001-09725	1/11/2011	Colorado	Adams	Anadarko Petroleum Corp	TALON VIEW 21-9	Gas	39.982295	-104.898600	NAD83
1	05-001-09720	1/20/2011	Colorado	Adams	Anadarko Petroleum Corp	TALON VIEW 22-9	Gas	39.982129	-104.898598	NAD83
L	05-001-08991	4/25/2011	Colorado	Adams	Anadarko Petroleum Corp	YORK NORTH 13-12 #3	Gas	39.977350	-104.957217	NAD83
, de	05-001-09111	4/20/2011	Colorado	Adams	Anadarko Petroleum Corp	DREYER #1	Gas	39.989650	-104.684286	NAD83
J.	05-069-06420	1/29/2011	Colorado	Larimer	Anadarko Petroleum Corp	ENCORE 4-12	Gas	40.420216	-104.954907	NAD83
بكر	05-069-06423	1/29/2011	Colorado	Larimer	Anadarko Petroleum Corp	ENCORE 18-12	Gas	40.420161	-104.954909	NAD83
A	05-069-06407	1/25/2011	Colorado	Larimer	Anadarko Petroleum Corp	MIRACLE 10-12	Gas	40.413925	-104.953288	NAD83





							_
					Maximum	Maximum	
				Chemical	Ingredient	Ingredient	
Trade Name	Supplier	Purpose	Ingredients	Abstract Service	Concentration	Concentration	Comments
			-	Number (CAS #)	In Additive	In HF Fluid	
				Humber (CAS #)	(% by mass)**	(% by mass)**	
Minter	Oncorder	Conden	Minter	7732-18-5	100.00%	83.89391%	
Water Frac-Cide 1000	Operator	Carrier Blocide	Water	10222-01-2	100.00%	0.00777%	
Frac-Cide 1000	Baker Hughes	BIOCIDE	2,2-Dibromo-3-Nitrilopropionamide Water	7732-18-5	5.00%	0.00039%	
			Tetrakis(hydroxymethyl)			0.00039%	
Alpha 452	Baker Hughes	Biocide	Phosphonium Sulfate	55566-30-8	40.00%	0.01006%	
Enzyme G-I	Baker Hughes	Breaker	Hemicellulase Enzyme Concentrate	9035.55.3	3.00%	0.00108%	
Enzyme on	Daker Hugites	DICONCI	Water	7732-18-5	97.00%	0.03500%	
G8W-23L	Baker Hughes	Breaker	Magnesium Hydroxide	130942-6	5.00%	0.00188%	
UDW 23C	Danci Hagrica	Dicako	Magnesium Oxide	1309-48-4	2.00%	0.00075%	
			Magnesium Peroxide	14452-57-4	3.00%	0.00113%	
			White Mineral Oil	8042-47-5	91.00%	0.03419%	
BF-9L, 55 gal drum	Baker Hughes	Buffer	Potassium Carbonate	584-08-7	60.00%	0.03639%	
			Potassium Hydroxide	1310-58-3	30.00%	0.01820%	
XLW-30AG, tote	Baker Hughes	Crosslinker	Hydrotreated Light Distillate	64742-47-6	70.00%	0.04464%	
XLW-32	Baker Hughes	Crosslinker	Boric Oxide	1303-86-2	20.00%	0.00191%	
			Methanol	67 <del>-56-</del> 1	90.00%	0.00860%	
GW-3LDF	Baker Hughes	Gelling Agent	Guar Gum	9000-30-0	40.00%	0.21627%	
			Petroleum Distillate Blend	CEI	70.00%	0.37848%	
NE-900, tote	Baker Hughes	Non-emulsifier	Methanol	67 <del>-56-</del> 1	30.00%	0.01205%	
			Nonyi Phenyi Polyethylene Glycol Ether	9016-45-9	10.00%	0.00402%	
Sand, White, 40/70	Baker Hughes	Proppant	Crystalline Silica (Quartz)	14808-60-7	100.00%	4.70068%	
Mg Light, 20/40	Baker Hughes	Proppant	Magnesium Iron Silicate	1317-71-1	10.00%	0.95537%	
			Magnesium Silicate	1343-88-0	60.00%	5.73223%	
			Silicon Dioxide (Amorphous As Glass)	7631-86-9	40.00%	3.82149%	
ScaleSorb 3, (25# pall)	Baker Hughes	Scale inhibitor	Amino Tri (Methylene Phosphonic Acid)	6419-19-8	30.00%	0.00583%	
			Calcined Diatomaceous Earth	91053-39-3	100.00%	0.01943%	
			Crystaline Silca Quartz	14808-60-7	1.00%	0.00019%	
			Phosphonic Acid	13598-36-2	1.00%	0.00019%	
InFlo 250W	Baker Hughes	Surfactant	2-Butoryethanol	111-75-2	20.00%	0.00890%	
			Methanol	67-56-1	30.00%	0.01335%	
			Surfactants	CBI	80.00%	0.03560%	
Additional Compor	ne mis						_
			Alkyl Benzenesufonic Acid	68584-22-5			
			Boric Anhydride	1303-86-2			
			Copolymer	CBI			
			Crystaline Silca	14808-60-7			
			Ethylene Glycol Monobutyl Ether	111-76-2			
			Hydrotreated Light Distillate	64742-47-8			
			Methanol	67- <del>96-</del> 1			
			Modified Amide	68442-77-3			
			Poly (any-1,2-ethanedlyl)	24938-91-8			
			Propylene Carbonate	108-32-7			
			Quaternary Ammonium Compounds				
<b> </b>		I	bis[Hydrogenated Tallow Alkyl]	68953-58-2	I		
I		I	Dimethyl Salts With Bentonite		I		
			Sodium Suifate	7757-82-6			
			Sodium mon/Di dodecyl Disulfonated				
			Diphenyi Oxide	119345-04-9			
			Sodium tetraborate	1330-43-4			
		1	Water	7732-18-5	I		_

Classic FracFocus Template, MSDS Ing.

Non-MSDS Ingredient

#### Hydraulic Fracturing Fluid Product Component Information Disclosure

12/2/2012
12/8/2012
Colorado
Weld
05-123-39999-99-99
VE Producer
Test Well #2 - combined format
-104.76057200
40.19021000
WGS84
NO
434,867







#### Hydraulic Fracturing Fluid Composition:

Trade Name	Supplier	Purpose	Ingredients	Chemical Abstract Service Number (CAS #)	Maximum Ingredient Concentration in Additive (% by mass)**	Maximum Ingredient Concentration in HF Fluid (% by mass)**	Comments
Water/sand/BA- 1/Biocide 1/GA-1	VE Chemicals	carrier/proppant/ buffering agent/biocide/gell ing agent					
			water	7732-18-5	100.00	87.00000	
			crystalline silica	014808-60-7	100.00	11.00000	
			potassium carbonate	584-08-7	60.00	1.70000	
			Alkyl(C12-16) dimethylbenzylammoniu m chloride	68424-85-1	7.00	0.02200	
			ethanol	64-17-5	5.00	0.01100	

### What About Trade Secrets?

- •FracFocus neutral on the subject of Trade Secrets
- Trade secret laws and regulations vary by state
  - Technical
  - Administrative
  - Legal



### Why FracFocus 2.0?

- The original FracFocus (FracFocus 1.0) was developed to fill an important gap in public disclosure information
  - The programming and system design were done in a way that allowed
     FracFocus 1.0 to get underway quickly in early 2011
- As the volume of information entered into the system grew, industry, GWPC, and IOGCC realized that a more efficient data management system was needed
  - This led to the development of FracFocus 2.0 during 2012



## FracFocus 2.0 Upgrades

- Server vs. client side processing
- New xml submission format to assist with data validation checks (dates, locations, volumes etc...)
- Data entry forms for operators to create xml
- Expanded search capability
  - Dates
  - Chemical names
  - CAS numbers
- Added user categories
  - Registered agents
  - Service companies
  - State agencies



#### Transition Process from FracFocus 1.0 to 2.0

- FracFocus 2.0 was introduced as a beta (test) version in October 2012
- As of November 1, 2012, FracFocus 2.0 became live and functional
- As of June 1, 2013 the FracFocus 1.0 disclosure entry system using Excel files was turned off and XML became the exclusive reporting method for Fracfocus.



#### The FracFocus 2.0 Disclosure Submission System

Hydraulic Fracturing Frac Focus DISCLOSURE



FIND A WELL

ABOUT PROJECT

(Note: Clicking the FracFocus, FIND A WELL links will open a new window.)



#### Dashboard



Add & Manage Supervisors



Add & Manage Data Submitters



Add & Manage Service Companies



Add & Manage Agents



Operator Defaults

#### USER MENU

- Manage Logins
- Company Stats
- 2.0 User Guide
- 2.0 Training Slides
- Dashboard
- Disclosure Upload
- Disclosure Template



Download the Excel Template



Upload Chemical Disclosure in Excel Format



**Upload Disclosures** in XML Format



Disclosure Lists



Add New Disclosure



3rd Party Chemicals



Download Chemical Disclosures



**Edit Account** 

### Three ways to generate FracFocus 2.0 files

- Service company creates xml and sends to operator via e-mail
- Service company creates xml and uploads directly to operator queue
- Operator or registered agent creates xml using preloaded forms



#### **Add New Disclosure**



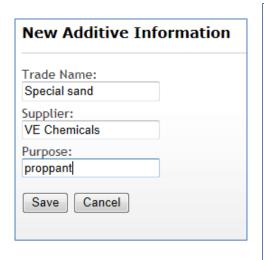
- Clicking on this icon leads to a screen that allows the user to create a new disclosure report
- Use of this screen is described later in the presentation

Job Start Date	Job End Date	API Number	State & County
Well Name			
Longitude	Latitude	Datum WGS84 ▼	Federal Well?
True Vertical Depth (ft)	Total Water Vol (gal)	Total Non Water Vol	Total Mass (lbs)

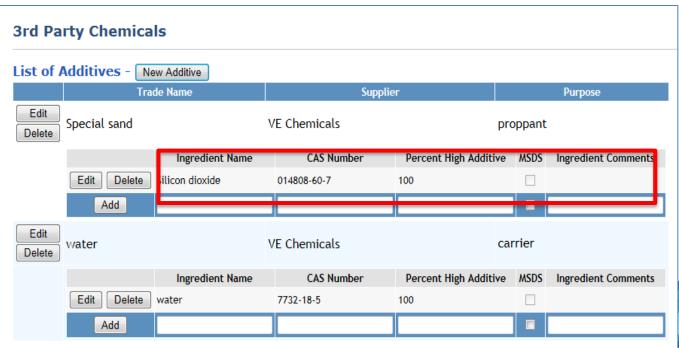


#### **Entering a New Additive**

- If you wanted to enter a completely new additive, you would click the New Additive button near the top of the screen
  - The example shows special sand
- Click on the Save button, then fill in information on the next screen







Choose an Additive from the 3<sup>rd</sup> Party Chemical List

Select Additive Select Additive crosslinker

non-ionic surfactant

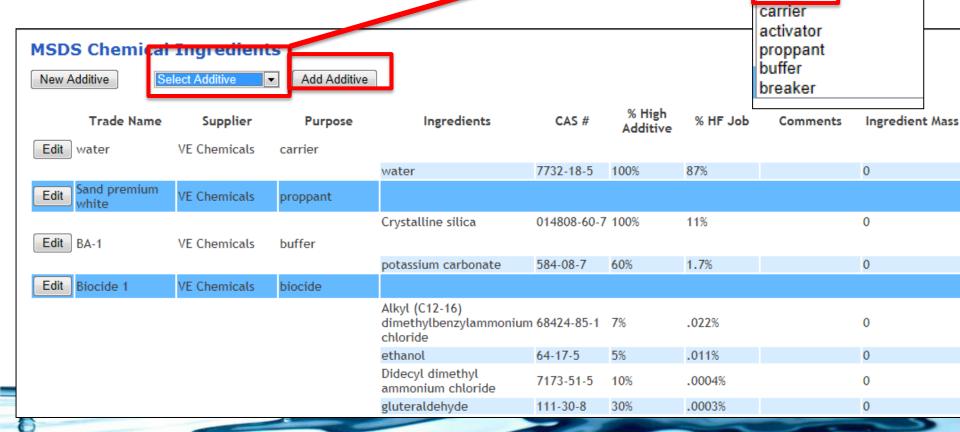
friction reducer Crosslinker

activator biocide

proppant delling agent

breaker

- Click on the Select Additive box
- Choose a new additive from the drop down list,
  - In this case select breaker, then click on the Add
     Additive box



## Reviewing, Editing and Approving Disclosure Reports by Operators

- The next set of slides shows how operators work with disclosure reports already in the operators queue
- Start with the Disclosure Lists icon and choose a record

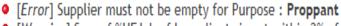




#### **Errors and Warning During Validation**

- Sometimes after clicking on the Validate Disclosure button, the resulting screen indicates some irregularities in the entered information
  - Errors will block validation
  - Warnings will allow validation to continue





- [Warning] Sum of %HFJob of Ingredients is not within 3% of 100%
- [Warning] CASNumber has an invalid format. for Ingredient: Alphatic Alcohols 1 in Purpose: Corrosion Inhibitor
- [Warning] CASNumber has an invalid format. for Ingredient: Other Chemical 1 in Purpose: Other Purpose
- [Warning] CASNumber does not pass Digit Verification. for Ingredient: Other 2 in Purpose: Other Purpose
- [Warning] CASNumber does not pass Digit Verification. for Ingredient: Other 3 in Purpose: Other Purpose





#### **New Features Coming to FracFocus in 2015**

- Improvements to accuracy of well data disclosed
- Establishment of a policy for data custody, management, security, and retention
- State validation of compliance
- Upgrades to website to be a more usable and interactive database

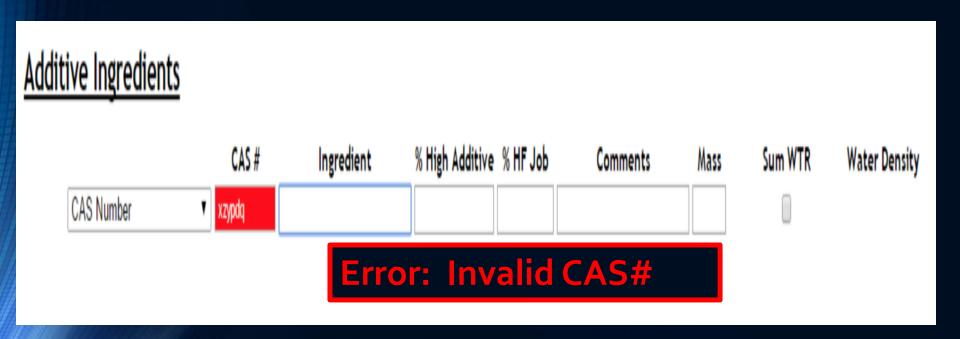


#### **New Features Coming to FracFocus in 2015**

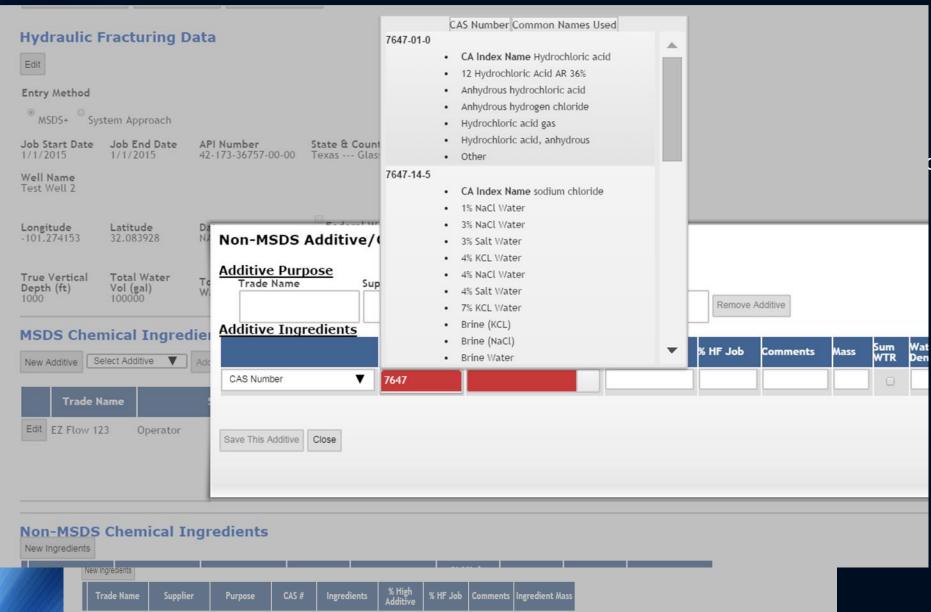
- Improvements to the accuracy of well data disclosed on FracFocus
  - 6 step validation process to improve data quality and accuracy

## Data quality — step 1 CAS number validation

Require valid CAS# Format

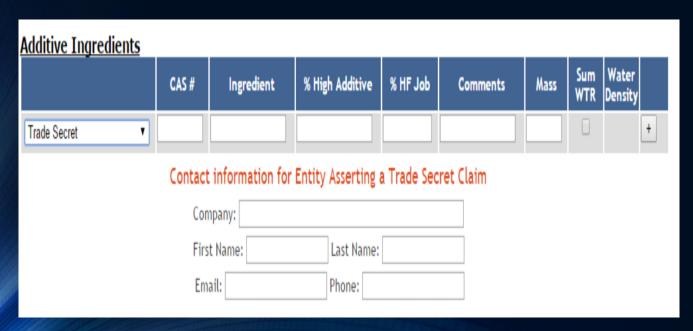


### Data quality – step 2



## Data quality – step 3 Trade Secret, Proprietary, CBI

- -Drop down boxes ensure digital data is submitted
- Contact information is required for any ingredient marked as Trade Secret, Proprietary, CBI ...



## Data quality: step 4 water volume

Improve the quality of base water volume reporting by issuing a warning if Total Water Volume (gal) exceeds 15 million gallons.

[Warning] Total Base Water Volume exceeds 15 million gallons, confirm the number of gallons

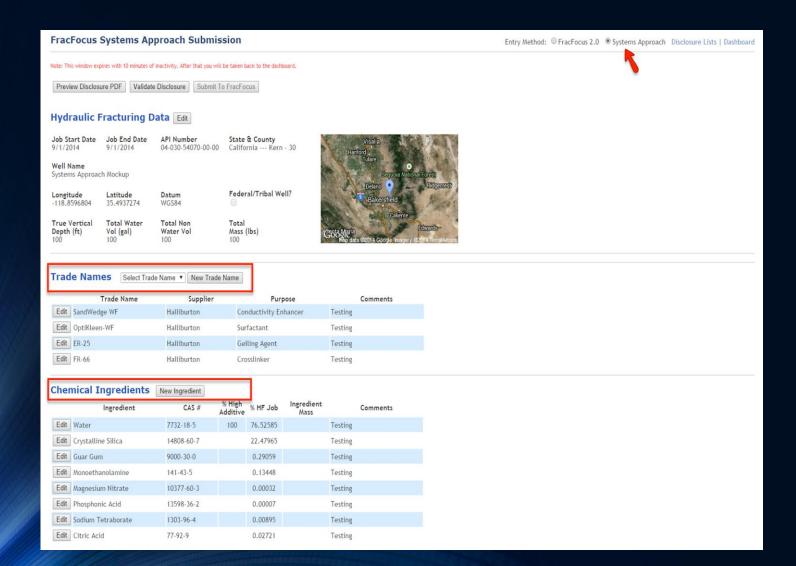
### Data quality- step 5 maximum ingredient concentration in HF fluid

If the sum of ingredient concentration in HF fluid is not within 3% of a 100% a warning is issued.

### Data quality - step 6

- -Multiple disclosures with same API number & job start/end date
- -Changing the current error to a warning error when attempting to submit multiple disclosures with the same API number and job date.
- -This is only a warning because it is possible to submit multiple disclosures with the same API number and start/end date
  - [Warning] A disclosure has already been submitted for this API number and job start date and/or job end date

## Reducing trade secret claims: The systems approach



# Establishment of a policy for data custody, management, security, and retention

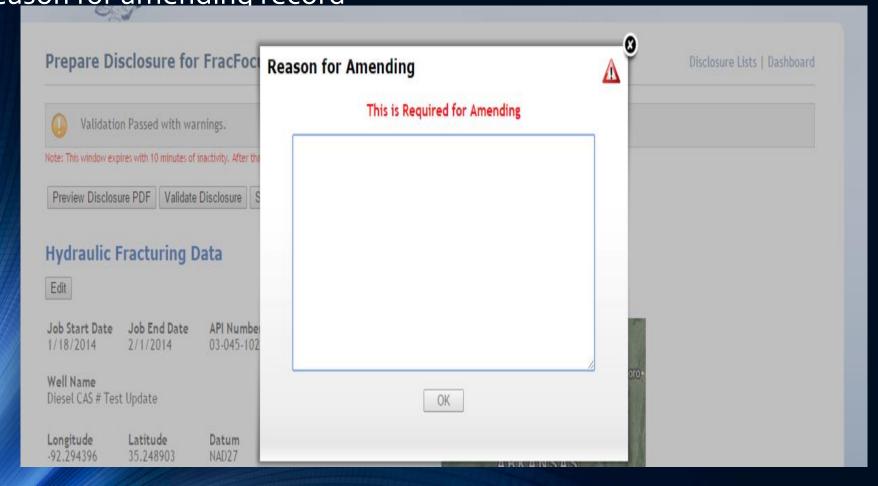
- FracFocus is being updated to comply with current versions of software
- Penetration testing has been preformed and an extra layer of security has been installed to prevent malicious internet attacks
- Google analytics has been added to help manage the web site and internet traffic

## FracFocus amended and original record retention policy

- All records, originals and amended, are permanently stored in the FracFocus database
- FracFocus has instituted an redundant backup system to ensure that all records are retained
- All current records from June 1, 2013 will be available in digital format for download from FracFocus by May 2015
- For data submitted to FracFocus prior to June 1, 2013, header data is available in digital format and chemical disclosure records are available in PDF format

#### Record retention and amendments

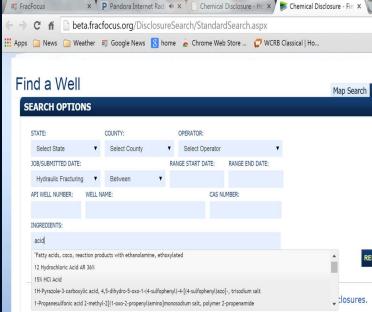
Require Operators to complete a text field explaining the reason for amending record



### New online search capability

- New features allow searches by
  - Date HF job preformed
  - Date chemical disclosure submitted

Google style chemical search capability



## Search Features Under Development

Additional search criteria

- 1. Ingredient: purpose, supplier, trade name...
- 2. Advanced GIS and/or map based searches



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405-516-4972





# Statewide Rule 29 – Chemical Disclosure

**Leslie Savage** 



- Definitions
- Applicability
- Required disclosures
- Disclosures not required
- Trade Secret protection
- Trade Secret challenge
- Trade Secret confidentiality
- Penalties



## DEFINITIONS (cont'd)

- Hydraulic fracturing treatment—The treatment of a well by the application of HF fluid under pressure for the express purpose of initiating or propagating fractures in a target geologic formation to enhance production of oil and/or natural gas.
- Hydraulic fracturing fluid—The fluid, including the applicable base fluid and all additives, used to perform a particular HF treatment.
- Base fluid The continuous phase fluid type, such as water, used in a particular HF treatment.
- Additive--Any chemical substance or combination of substances, including a proppant, contained in a HF fluid that is intentionally added to a base fluid for a specific purpose whether or not the purpose of any such substance or combination of substances is to create fractures in a formation.



## DEFINITIONS (cont'd)

- Chemical ingredient--A discrete chemical constituent with its own specific name or identity, such as a CAS number, that is contained in an additive.
- Chemical family--A group of chemical ingredients that share similar chemical properties and have a common general name.
- Total water volume— The total amount of water in gallons used as the carrier fluid for the HF job. It may include recycled water and newly acquired water.
- Chemical Disclosure Registry
   — The chemical registry
   website known as FracFocus developed by GWPC/IOGCC.
   Chemical Disclosure Registry
   — The chemical registry
   — Website known as FracFocus developed by GWPC/IOGCC.



## DEFINITIONS (cont'd)

- Trade secret--Any formula, pattern, device, or compilation of information that is used in a person's business, and that gives the person an opportunity to obtain an advantage over competitors who do not know or use it. The six factors considered in determining whether information qualifies as a trade secret, in accordance with the definition of "trade secret" in the Restatement of Torts, Comment B to Section 757 (1939), as adopted by the Texas Supreme Court in Hyde Corp. v. Huffines, 314 S.W.2d 763, 776 (Tex. 1958), include:
- (1) the extent to which the information is known outside of the company;
- (2) the extent to which it is known by employees and others involved in the company's business;
- (3) the extent of measures taken by the company to guard the secrecy of the information;
- (4) the value of the information to the company and its competitors;
- (5) the amount of effort or money expended by the company in developing the information; and
- (6) the ease or difficulty with which the information could be properly acquired or duplicated by others.



#### APPLICABILITY

HF treatment performed on a well for which RRC issued the initial drilling permit on or after February 1, 2012.



#### **REQUIRED DISCLOSURES**

- Supplier and service company
  - Service company
  - Operator
- Operator
  - Commission
  - Health professionals and emergency responders
- Chemical disclosure to RRC
  - Chemical Disclosure Registry (FracFocus)
  - Supplemental list of other chemical ingredients



## **REQUIRED DISCLOSURES – Supplier/Service company**

As soon as possible, but not later than 15 days following the completion of HFT(s):

Must provide to operator following information concerning each chemical ingredient intentionally added to HF fluid:

- each additive, the trade name, supplier, and a brief description of the intended use or function;
- each chemical ingredient subject to the requirements of 29 CFR §1910.1200(g)(2) (MSDS);
- all other chemical ingredients intentionally included in, and used for the purpose of creating,
   HFT(s);
- the actual or maximum concentration of each MSDS chemical ingredient in percent by mass;
   and
- the CAS number for each chemical ingredient, if applicable.
- -- written statement if the specific identity and/or CAS number or amount of any additive or chemical ingredient used in HFT(s) is claimed to be entitled to protection as trade secret information. Claimant must provide:
  - supplier's or service company's contact info, including the name, authorized representative, mailing address, and phone #; and
  - chemical family, unless providing the chemical family would disclose info protected as a trade secret.



#### **REQUIRED DISCLOSURES - Operator**

On or before the date the well completion report is submitted to RRC, operator must upload information to the FracFocus registry, including:

- operator name;
- date of completion of the HFT(s);
- the county, API number, well name and number;
- the longitude and latitude of the wellhead;
- the total vertical depth of the well;
- the total volume of water used or the type and total volume of the base fluid used in the HFT(s), if something other than water;



## REQUIRED DISCLOSURES – Operator (Cont'd)

- each additive and the trade name, supplier, and a brief description of intended use/function of each additive;
- each chemical ingredient subject to 29 CFR §1910.1200(g)(2) (MSDS), as provided by the chemical supplier or service company or by the operator, if the operator provides its own chemical ingredients;
- the actual or maximum concentration of each MSDS chemical ingredient in % by mass;
  - the CASRNs for each chemical ingredient listed, if applicable; and
- a supplemental list of all remaining chemicals (non-MSDS) and their respective CASRNs, that were intentionally included in and used for the purpose of creating the HFT(s).



#### INACCURACIES IN INFORMATION

- Supplier not responsible for any inaccuracy in information provided by a third party manufacturer of the additives.
- Service company not responsible for any inaccuracy in information by the supplier.
- Operator not responsible for any inaccuracy in information provided by the supplier or service company.



## Disclosure to Health Professionals/Emergency Responders

- May not withhold information related to chemical ingredients used in a HFT, including Trade Secrets, if needed for diagnostic, treatment or other emergency response purposes.
- Must provide directly to health professional or emergency responder, all information in the person's possession, whether or not the information is a trade secret.
- Must include with the disclosure, as soon as circumstances permit, a statement of the health professional's confidentiality obligation.
- In an emergency situation, must provide the information immediately upon request.

Disclosures must be made in accordance with the procedures in 29 CFR §1910.1200(i) with respect to a written statement of need and confidentiality agreements, as applicable.



#### DISCLOSURES NOT REQUIRED:

- Ingredients not intentionally added
- Ingredients not disclosed by manufacturer, supplier, service company
- Ingredients that occur naturally or are otherwise unintentionally present
- Specific ingredients eligible for trade secret protection



#### TRADE SECRET PROTECTION:

Not required to disclose trade secret information, unless OAG or appropriate court determines that the information is not entitled to trade secret protection under Texas Gov. Code, Chapter 552.



#### TRADE SECRET PROTECTION:

- If specific ID and/or CASRN of a chemical ingredient, the concentration of a chemical ingredient, or both are claimed or have been finally determined to be entitled to protection as a trade secret, supplier/service company may withhold that information from the information provided to the operator.
- If supplier or service company elects to withhold that information, he/she must provide to the operator, information that:
  - indicates information is entitled to protection as trade secret information; and
  - discloses the chemical family associated with the chemical ingredient; or
- discloses the properties and effects of the chemical ingredient(s), the identity of which is withheld.



#### TRADE SECRET CHALLENGE:

# Eligibility to challenge claim of Trade Secret protection

- the landowner on whose property the relevant wellhead is located;
- the landowner who owns real property adjacent to that property; or
- a Texas department or agency with jurisdiction over a matter to which the claimed trade secret information is relevant.



#### TRADE SECRET CHALLENGE PROCEDURE:

- Requestor must provide a signed certification in writing to RRC, including information identifying the requestor and the well, and a statement that the requestor is eligible to make a challenge (owns the property or owns adjacent property)
- Must be filed no later than 24 months from date the operator filed the well completion report for the well



## TRADE SECRET CHALLENGE PROCEDURE (Cont'd)

Within 10 business days of receiving an eligible request, RRC must:

- submit to OAG request for decision regarding the challenge;
- notify well operator and owner of the trade secret information of submission of the request to OAG and of requirement that the owner of the claimed trade secret information submit directly to OAG the claimed trade secret information, clearly marked "confidential," submitted under seal; and
- inform the trade secret owner of the opportunity to substantiate to OAG its claim of entitlement of trade secret protection, in accordance with Texas Gov Code, Chapter 552



## TRADE SECRET CHALLENGE PROCEDURE (Cont'd)

- If the OAG determines that the trade secret protection claim is valid, the owner of the claimed trade secret information shall not be required to disclose the trade secret information, subject to appeal.
- Procedure for withdrawal of challenge
- A final determination by the OAG may be appealed within 10 business days to a district court of Travis County pursuant to Texas Government Code, Chapter 552.
- If the OAG, or an appropriate court on appeal, determines that the withheld information would not be entitled to trade secret protection, the owner of the claimed trade secret information must disclose the information to the requestor as directed by the OAG or the court.



#### PENALTIES

 A violation of this section may subject a person to any penalty or remedy specified in the Texas Natural Resources Code, Title 3, and any other statutes administered by RRC. The certificate of compliance for any oil, gas, or geothermal resource well may be revoked in the manner provided in §3.73 (Pipeline Connection; Cancellation of Certificate of Compliance; Severance) (Rule 73) for violation of this section.



## FracFocus REGISTRATION

Information regarding registration of your company to use FracFocus.org can be found

at: <a href="https://www.hydraulicfracturingdisclosure.org/Account/">https://www.hydraulicfracturingdisclosure.org/Account/</a> /RegisterOperator.aspx

NOTE: Registration can be expedited if your company uses the same security administrator listed on the company's Security Administrator Designation Form (RRC SAD Form) Leslie Savage, P.G.
Assistant Director
Technical Permitting
Oil & Gas Division
Railroad Commission of Texas
Leslie.savage@rrc.state.tx.us

(512)463-7308

Get your facts first, then you can distort them as you please.

Mark Twain